



MRA Board Memo Cover Sheet

January 13, 2023

Project Name: Contract Issuance for Deconstruction and Building Removal of the Sleepy Inn

Urban Renewal District: URD II

Project Location: 1427 West Broadway

TIF Investment: Up to \$210,000

Other Investment: Community Development, Planning, and Innovation (City's Brownfields Program): \$83,151.79

Project Description: With MRA Board and City Council approval the City and MRA will enter into a joint contract with Three Rivers Landworks. The MRA and Community Development, Planning, and Innovation Department (CPDI) will share the costs, with CPDI funding the asbestos abatement. We expect to issue a Recommendation to Award by end of January.

Cost Breakdown of TIF Funds:

MRA Portion of the Contract	\$200,513.87
Contingency	up to \$9,486.13

Total TIF Request is up to \$210,000



MEMORANDUM

TO: MRA Board

FROM: Annie Gorski, Deputy Director

DATE: January 13, 2023

SUBJECT: Contract Issuance for Deconstruction and Building Removal of the Sleepy Inn, 1427 West Broadway (URD II) – Up to \$210,000 TIF Request

Overview

The Sleepy Inn site has been vacant since March 2022 when the pandemic shelter use discontinued. The building is in poor condition and vandalism, illegal trespassing and camping continues to cause damage. Redevelopment of the site is identified as a priority in the URD II Exit Plan (approved in March 2022) and in the Envision West Broadway Master Plan. To further plans for redevelopment and sale, the MRA published an Invitation to Bid in December seeking bids for asbestos abatement, building deconstruction and removal. Three Rivers Landworks was the responsive low bidder. With MRA Board and City Council approval, the City and MRA will enter into a joint contract with Three Rivers Landworks and the MRA and Community Development, Planning, and Innovation Department (CPDI) will split the costs. We expect to issue a Recommendation to Award by end of January. The contractor will have 60 days to complete the work. Up to an additional 45-day extension may be granted if the contractor can salvage more materials than originally expected.

Request for Tax Increment Assistance

- \$200,513.87 – Bid total for building deconstruction and removal, as well as traffic control, 50 percent of mobilization and demobilization, and 50 percent of the miscellaneous (contingency) task.
- Up to an additional \$9,486.13 in contingency

Total TIF Request up to \$210,000

City of Missoula Strategic Plan

The project aligns with the following goals in the City's Strategic Plan:

- **Support sustainable growth initiatives** – By redeveloping this site there is opportunity to add density and encourage housing, with transportation options.

- **Implement adopted Energy Conservation and Climate Action initiatives** – Three Rivers Landworks will subcontract with Heritage Timber to salvage an estimated 60 percent of the building materials, rather than sending to the landfill.
- **Support collaboration and effective delivery of service** – Combining the abatement and deconstruction phases of the project is expected to save the City time and money, streamlining the process.

Economic Stimulus

The Envision West Broadway Plan anticipated that the Sleepy Inn site would be one of the first to redevelop when the site was no longer needed as a non-congregate shelter. The City's realtor has advised us that the property will be more marketable for sale as a clean, level site with the building removed. Redevelopment at the Sleepy Inn will likely be a catalyst for other redevelopment in the area.

Urban Renewal Goals

The planned improvements align with goals and strategies in the URD II Plan related to commercial districts, including:

- Encourage a thriving commercial atmosphere which stimulates private investment compatible with adjacent and nearby residential areas

Project Feasibility

An MRA staff person will serve as project manager, overseeing all aspects of the project and serving as the single point of contact for the contractor. We expect that the contract will conclude with a flat site in April 2023. Marketing the property for sale is expected to begin on or before that date.

RECOMMENDATION:

Staff recommends that the MRA Board authorize the Board Chair to sign the contract with Three Rivers Landworks in the amount of \$283,665.65, with the understanding that up to \$210,000 will be funded with TIF, contingent upon City Council's approval of the remaining contract amount.



MEMORANDUM

To: Ellen Buchanan, Director, Missoula Redevelopment Agency (MRA) and Eran Pehan, Director, Community Development Planning and Innovation (CPDI)

From: Tyler Walls, Brownfields Program Specialist, CPDI and Annie Gorski, Deputy Director, MRA

Date: January 11, 2023

Subject: Sleepy Inn Hazardous Materials Abatement, Building Materials Deconstruction, Building Removal, Bid Results and Award Recommendation

Bid Process Summary

The Sleepy Inn project Invitation for Bid was published on December 11, 2022 and advertised in the Missoulian on December 11, 18, and 28. Bids for the Sleepy Inn project were due electronically via the QuestCDN bidding site on January 6, 2023, at 10 am, and then opened online through the QuestCDN site. At the time of bid opening, five electronic bids were received: All five bids were reviewed and considered responsive by the City and the MRA at that time. The MRA then conducted an additional and more thorough review of the electronic bids to confirm the responsiveness of the bidders.

We reviewed the submitted bids for completeness and accuracy including the line item prices, total bid price, similar prior work experience, and contractor licenses and certifications. To comply with the MRA's Deconstruction Policy bidders were also required to include pricing for deconstruction of the building to be considered responsive.

After our thorough review Three Rivers Landworks (Three Rivers) was determined the apparent lowest responsive bidder with a bid amount of \$283,665.65. Three Rivers is a Montana based general contractor and is partnering with Abatement Contractors of Montana (ACM) and Heritage Timber to complete abatement and deconstruction. Heritage Timber estimates that

approximately 60 percent of the building materials can be salvaged and diverted from the landfill.

List of Responsive Bidders and Recommendation to Award

The five responsive bids ranged from \$283,665.65 to \$341,400.00 and were received from the following firms:

Three Rivers Landworks (lowest, responsive bidder)

L&L Site Services

J&J Excavation

Olympus Technical Services

Jackson Contractor Group

We are recommending award to Three Rivers Landworks for the bid cost of \$283,665.65. Please find included copies of the submitted bid forms and bid bonds for Three Rivers Landworks.

Schedule and Next Steps

If the City Council and the MRA Board authorize the contract and bid amount with Three Rivers Landworks the City and the MRA will enter into a joint contract with Three Rivers. The City's Brownfields Program in CPDI expects to fund the abatement portion of the contract as well as 50 percent of the mobilization and miscellaneous tasks, while the MRA expects to fund the deconstruction and building removal portions of the contract, as well as the balance of mobilization, traffic control, and miscellaneous tasks. Assuming City Council and the MRA Board approval, we expect to issue notice of award by end of January. The contractor will have 60 days to complete the work, with the option of up to an additional 45 days with the MRA's approval, if additional materials can be salvaged.

PROPOSAL FOR CONSTRUCTION

To: Missoula Redevelopment Agency Board of Commissioners and Missoula City Council
Missoula, Montana

The undersigned, having examined the plans, specifications and other proposed contract documents, the extent, character, and the location of the proposed work, and being cognizant of the location and conditions of the site of the work, and the conditions that might affect the work, hereby proposes to perform all labor and work necessary for the City of Missoula and the Missoula Redevelopment Agency to complete in a workmanlike manner all in accordance with the plans, specifications and other contract documents on file in the office of the City of Missoula and the Missoula Redevelopment Agency for the prices quoted in this .

The undersigned further agrees that the only persons or parties interested in this proposal are those named herein, that this is in all respects fair and without fraud; that it is made without collusion with any officials or employees of the City of Missoula or Missoula Redevelopment Agency, and that the Proposal is made without any connection or collusion with any person making another Proposal on this contract.

The undersigned further agrees to furnish the required surety bonds and to enter into contract for the work awarded within ten (10) consecutive calendar days from the date of receipt of written Notice of Award given by the Missoula Redevelopment Agency and the City of Missoula.

The successful bidder must furnish written proof of all required bonds, Worker's Compensation and other insurance to the attorney for the Owner prior to the signing of the contract by the Owner.

Enclosed herewith is a Bid Bond as a proposal guarantee, in the amount of Ten Percent (10%) (or) DOLLARS, which the undersigned agrees is to be forfeited to and become the property of the City of Missoula and the Missoula Redevelopment Agency as liquidated damages, should this be accepted and the contract awarded to him/her and s/he fail to enter into a contract in the form prescribed and to furnish the required surety bonds within ten days as above stipulated; but otherwise the proposal guarantee shall be returned to the undersigned upon signing of the contract and delivery of the approved surety bonds to the City of Missoula and the Missoula Redevelopment Agency.

Bidder agrees in submitting this bid that the bid prices will remain subject to acceptance for forty-five (45) days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

In submitting this bid it is understood that the right is reserved by the Owner to reject any and all bids,

and it is agreed that this bid may not be withdrawn during a period of forty-five (45) days after the scheduled time for receipts of bids.

The Total Base Bid, plus or minus any Alternate Bids awarded, shall be the basis for establishing the amount of the Performance Bond on this Contract. The Total Base Bid (plus or minus Alternate Bids awarded) is based on the plans where specific quantities are not itemized, and is subject to additions or reductions according to the actual construction quantities and measurements of the finished construction as determined by the Project Manager upon completion of construction.

The undersigned has carefully checked the above bid schedule quantities against the specifications before preparing this proposal and accepts the said quantities as substantially correct both as to classification and amount, and as correctly listing the complete work to be done in accordance with the Plans and Specifications.

The undersigned agrees that, if awarded the contract, s/he will commence work within ten (10) calendar days after the date of receipt of a written Notice to Proceed and that s/he will complete the work within **SIXTY (60) calendar days**. **The first chargeable day is the date following the date specified to start in the Notice to Proceed.**

The undersigned certifies that:

- (a) S/He has examined the site of the work.
- (b) S/He understands the manner of payment for the cost of the project.
- (c) S/He has received and duly considered the following Addenda to the specifications and the following revisions or additions to the plans.

Addenda: No. 1 Dated 12/16/2022
Addenda: No. 2 Dated 12/20/2022
Addenda: No. 3 Dated 12/29/2022
Addenda: No. _____ Dated _____

Plan Revision Sheets: Nos. _____

The undersigned agrees that upon written acceptance of this bid, he will, within ten (10) days after receipt of such notice, execute a formal contract agreement with the City of Missoula and the Missoula Redevelopment Agency in the form attached hereto, and that he or she will provide acceptable surety bonds for Performance and Payment. In case of default in execution of the contract or in delivery of acceptable bonds, the proposal guarantee accompanying this Proposal shall be forfeited to, and remain the property of the City of Missoula and the Missoula Redevelopment Agency.

(NOTE: Bidders should not add any conditions or qualifying statements to this bid; otherwise the bid may be declared irregular as being not responsive to the Advertisement/Invitation to Bid.)

In submitting this bid, it is understood that the Missoula Redevelopment Agency and the City of Missoula reserve the right to reject any and all bids, to delete certain items, and to postpone award for a reasonable time.


Dated at 3:30 pm this 5th day of January, 2023.
()

3 Rivers Landworks
Name of Company

Montana
State of Incorporation (if applicable)

Business Address

14286 Turah Road
Clinton, MT 59825


Signature of Responsible Official

Construction Mgr/Owner
Title

Name of Partner

Name of Partner

Montana Contractor's Registration No. and Class 260973

Federal Employer Identification Number (FEIN) 86-2836566

If applicable, MDT Special Fuel User Permit Number _____

Or in lieu of providing Special Fuel User Permit Number above,
I, 3 Rivers Landworks, do not and/or will not use diesel fuel in equipment, motor vehicles, and stationary engines requiring a Special Fuel User Permit on/in any part of the construction activity required by this contract.

BID BOND

BIDDER Name and Address: Three Rivers Landworks LLC
14286 Turah Road
Clinton, MT 59825

SURETY Name and Address: Western Surety Company
151 N. Franklin Street
Chicago, IL 60606

OWNER Name and Address: City of Missoula

BID DUE DATE: January 6, 2023

PROJECT DESCRIPTION: Sleepy Inn Hazardous Building Materials Abatement,
Deconstruction Services, and Building Removal.
Missoula, MT

BOND NUMBER: Bid Bond

BOND DATE January 4, 2023
(Not later than BID DUE DATE)

PENAL SUM: (Words) Ten Percent of Amount Bid
(Figures) 10%

IN WITNESS WHEREOF, Surety and Bidder, intending to be legally bound hereby, subject to the terms printed on the reverse side hereof, do each cause this Bid Bond to be duly executed on its behalf by its authorized officer, agent, or representative.

BIDDER

Three Rivers Landworks LLC (Seal)
Bidder's Name and Corporate Seal

By: [Signature]
Signature and Title Constr. Mgr

Attest: [Signature]
Signature and Title Witness

SURETY

Western Surety Company (Seal)
Surety's Name and Corporate Seal

By: [Signature]
Tyler McIntyre Signature and Title
Attorney in Fact (Attach Power of Attorney)

Attest: [Signature]
Signature and Title

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to pay to OWNER upon default of Bidder the penal sum set forth on the face of this Bond
2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by OWNER) the executed Agreement required by the Bidding documents and any performance and payment Bonds required by the Bidding Documents.
3. This obligation shall be null and void if:
 - 3.1 OWNER accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by OWNER) the executed Agreement required by the Bidding Documents and any performance and payment Bonds required by the Bidding Documents, or
 - 3.2 All Bids are rejected by OWNER, or
 - 3.3 OWNER fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by paragraph 5 hereof).
4. Payment under this Bond will be due and payable upon default by Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from OWNER, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.
5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by OWNER and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from Bid due date without Surety's written consent.
6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in paragraph 4 above is received by Bidder and Surety and in no case later than one year after Bid due date.
7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the State of Montana.
8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.
9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent or representative who executed this Bond on behalf of Surety to execute, seal and deliver such Bond the bind the Surety thereby.
10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.
11. The term "Bid" as used herein includes a Bid, Offer, or Proposal, as applicable.

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Tyler McIntyre, Individually

of, Missoula, MT, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

Surety Bond No.: Bid Bond
Principal: Three Rivers Landworks LLC
Obligee: City of Missoula

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 16th day of June, 2021.



WESTERN SURETY COMPANY

Paul T. Bruflat, Vice President

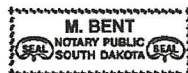
State of South Dakota
County of Minnehaha

} ss

On this 16th day of June, 2021, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

March 2, 2026



M. Bent, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 4th day of January, 2023.



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

Form F4280-7-2012

Go to www.cnasurety.com > Owner / Obligor Services > Validate Bond Coverage, if you want to verify bond authenticity.

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.



14286 Turah Road
Clinton, MT 59825

Brian: 406.396.2051
www.3riverslandworks.com

SIMILAR PROJECTS

Clawson Manufacturing Demolition - \$500,000.00

Abatement, recycle, demo building. 500 loads hauled to dump.

Superintendent = Brian Wetmore

Demo Existing Buildings - Morrison Marlie - \$200,000.00

Abatement, recycle, demo building. 100 loads hauled to dump.

Superintendent = Brian Wetmore

Potomac Ranch Two-Story Demolition = \$170,000.00

Abatement, recycle, demo building. 100 loads hauled to dump.

Superintendent = Brian Wetmore



CERTIFICATE OF CONTRACTOR REGISTRATION

THREE RIVERS LANDWORKS LLC
14286 TURAH RD
CLINTON, MT 59825

STATUS

Employer

REGISTRATION NO.

260973

EFFECTIVE DATE

09/13/2021

EXPIRATION DATE

09/12/2023

Visit our website at mtcontractor.mt.gov or call the
Registration Section at **406-444-7734** for more information
or to verify the validity of this certificate.



SPECIALTY CONSTRUCTION & ENVIRONMENTAL REMEDIATION SERVICES

ABATEMENT CONTRACTORS OF MONTANA, LLC
208 Commerce Street
Missoula, MT 59807
P 406-549-8489
F 406-728-9416
www.acm-contracting.com

MONTANA ADMINISTRATIVE RULES 17.74.362 AND 17.74.363
ASBESTOS-RELATED OCCUPATIONS ACCREDITATION LIST
 (Employees listed below may perform job functions)

Last Name	First Name	Card Type	Card Number	Expiration Date
Betts	Brian	Contractor/Supervisor	MTA-1878	9/23/2023
Chemodurow	Tanya	Contractor/Supervisor	MTA-3470	2/11/2023
Couvillion	Leanah	Contractor/Supervisor	MTA-5547	5/20/2023
Creech	Clinton	Contractor/Supervisor	MTA-5711	9/23/2023
Deniger	Cameron	Contractor/Supervisor	MTA-6154	12/16/2023
Feather Earring	Kevin	Contractor/Supervisor	MTA-6152	12/16/2023
Foust	Mike	Contractor/Supervisor	MTA-2741	2/18/2023
Green	Tyler	Contractor/Supervisor	MTA-5966	9/23/2023
Herath	Andrew	Contractor/Supervisor	MTA-6096	7/15/2023
Koehler	John	Contractor Supervisor	MTA-6100	7/15/2023
Pederson	Erik	Contractor/Supervisor	MTA-6007	2/11/2023
Pugh	Demar	Contractor/Supervisor	MTA-6008	2/11/2023
Rinehart	Chris	Contractor/Supervisor	MTA-5331	5/20/2023
Woldstad	Matt	Contractor/Supervisor	MTA-5893	5/20/2023
Betts	Brian	Inspector	MTA-1878	3/25/2023
Chemodurow	Tanya	Inspector	MTA-3470	3/25/2023
Creech	Clinton	Inspector	MTA-5711	12/09/2023
Foust	Mike	Inspector	MTA-2741	3/25/2023
Rinehart	Chris	Inspector	MTA-5331	3/25/2023
Rinehart	Chris	Project Designer	MTA-5331	11/30/2023

Sleepy Inn Hazardous Building Materials Abatement, Building Deconstruction, and Building Removal (#8353893)
Owner: Missoula MT, City of
Solicitor: Missoula Redevelopment Agency
01/06/2023 10:00 AM MST

				Engineer Estimate		3 Rivers Landworks		L&L Site Services		J & J Excavating		Olympus Techncial Services, In Jackson Contractor Group				
Section	Tit Line Item	Item Code	Item Descr UofM	Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Hazardous Blg Materials Abatement, Blg Materials Decon, Blg Removal						\$0.00		\$268,665.65		\$273,414.00		\$301,076.00		\$309,948.00		\$326,400.00
	1A	10	Mob. and ILS	1			\$13,721.17	\$13,721.17	\$15,000.00	\$15,000.00	\$12,888.00	\$12,888.00	\$16,090.00	\$16,090.00	\$16,800.00	\$16,800.00
	2A	20	Traffic Con LS	1			\$3,648.00	\$3,648.00	\$17,475.00	\$17,475.00	\$4,387.00	\$4,387.00	\$1,010.00	\$1,010.00	\$3,600.00	\$3,600.00
	3A	30	Haz. Blg M LS	1			\$68,791.20	\$68,791.20	\$72,800.00	\$72,800.00	\$85,265.00	\$85,265.00	\$60,520.00	\$60,520.00	\$74,000.00	\$74,000.00
	4A	40	Blg Decon. LS	1			\$81,760.00	\$81,760.00	\$10,000.00	\$10,000.00	\$98,588.00	\$98,588.00	\$79,972.00	\$79,972.00	\$123,000.00	\$123,000.00
	5A	50	Blg Remov LS	1			\$100,745.28	\$100,745.28	\$158,139.00	\$158,139.00	\$99,948.00	\$99,948.00	\$152,356.00	\$152,356.00	\$109,000.00	\$109,000.00
Miscellaneous Allowance						\$15,000.00		\$15,000.00		\$15,000.00		\$15,000.00		\$15,000.00		\$15,000.00
	6A	120	Miscellane EA	1	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
Base Bid Total:						\$15,000.00		\$283,665.65		\$288,414.00		\$316,076.00		\$324,948.00		\$341,400.00